

MANDENI MUNICIPALITY



UNAUDITED ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

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MANDENI MUNICIPALITY
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GENERAL INFORMATION

MEMBERS OF THE COUNCIL

Mayor	: Councillor B.L. Magwaza
Deputy Mayor	: Councillor J Singh
Speaker	: Councillor Z P Makhoba
Chairman of the Executive Committee	: Councillor B L Magwaza
Members of the Executive Committee	: Councillor D M Shandu
	: Councillor N. Reddy
	: Councillor B P Mngadi
	: Councillor D M Maphumulo (Replaced by Cllr M S Mdunge) IFP
Councillors:	Cllr. GPS Busane IFP
	Cllr. N F Ntuli ANC
	Cllr. E L Dube ANC
	Cllr. N E Hlabisa ANC
	Cllr. B A Khumalo IFP
	Cllr. J E Luthuli ANC
	Cllr. S V Mangele IFP
	Cllr. M J Mathonsi IFP
	Cllr. N J Mbusi DA
	Cllr. S Mdletshe ULIRA
	Cllr. G N Zungu ANC
	Cllr. M S Mdunge IFP (Replaced by Cllr S Mbonambi) IFP
	Cllr. P M Myeza ANC
	Cllr. S Ndlovu IFP
	Cllr. H M Ngema ANC
	Cllr. B T Nkabinde ANC
	Cllr. J B Nzuza ANC
	Cllr. S D Shange IFP
	Cllr. L R Shembe IFP
	Cllr. J J Vilakazi IFP
	Cllr. J M Zondi ANC
	Cllr. S J Zibane IFP
	Cllr. T J Zondo ANC
	Cllr. P M Mthembu IFP (Replaced by ZS Gumede) IFP
	Cllr. S B Zulu ANC

Senior Managers

Municipal Manager	: Dr M.B. Ngubane
Chief Financial Officer	: Mr R N Hlongwa
Director: Corporate Services and LED	: Mr N.G. Khumalo
Director: Technical Services	: Mr M. Sewdular

**MANDENI MUNICIPALITY
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GRADING OF MUNICIPALITY

Low Capacity

NUMBER OF WARDS

16

BANKERS

First National Bank

AUDITORS

Auditor-General

REGISTERED OFFICE

2 Kingfisher Road

MANDINI

4490

Telephone: (032) 456 8200

PO BOX 144

MANDINI

4490

Fax: (032) 456 2504

MUNICIPAL MANAGER

Dr. M.B. Ngubane

CHIEF FINANCIAL OFFICER

Mr. R N Hlongwa

APPROVAL OF FINANCIAL STATEMENTS

The Annual Financial Statements pages 3 to 35, for the year ended 30 June 2009, were approved by the Municipal Manager.



MUNICIPAL MANAGER



CHIEF FINANCIAL OFFICER

DATE: 31/08/2009

MANDENI MUNICIPALITY
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It is my pleasure to present the financial statements again for 2008/2009 financial year. The year under review again has been a year full of activities as we begin to implement those strategies put in place in previous years. Although it is still early to realize the impact but the note has been the right one to start.

From the budget 2008/09 approved by council the income was realized. With a financial assistance of National Treasury the Municipality has managed to exist and honor its obligation up to a point where the budget was reviewed to be inline with the strategies that we saw implemented in terms of the cash flow.

Efforts continued during the year to recover outstanding debts. More activities were placed in our debt Management system. The Council also decided to outsource its internal resources in the collection of debt.

The council has managed to implement all its capital projects as per MIG funding and the Department of housing. We also continued providing free basic services on electricity to 1268 households.

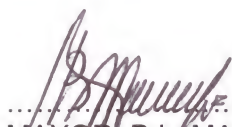
Overall the Municipality budgeted for income totaling to R 66,553,820 and the actual income earned was R 66,502,104

The overall expenditure budget was R 66,553,820 and the actual was R 62,854,069.

In conclusion I would like to express my gratitude to the dedicated employees of Mandeni Municipality who continue to provide quality service to our residents. Without them the achievements mentioned above could not have been accomplished. I must however not forget to acknowledge the Executive Committee and the whole Council for their commitment to our vision.

I remain confident that if our Municipality continues to work closely with all community parties and residents, the year 2009/10 will even be more successful than 2008/09.

I thank you.


.....
MAYOR. B.L. MAGWAZA
CHAIRMAN OF THE EXECUTIVE COMMITTEE

DATE: 31/08/2009.....

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REPORT OF THE AUDITOR-GENERAL

To be inserted.

MANDENI MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

CHIEF FINANCIAL OFFICER'S REPORT FOR THE YEAR ENDED 30 JUNE 2009

The Annual Financial Statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Practice (1997) and the Report on the Standardisation of Financial Statements of Local Authorities (Second Edition), as amended.

It is with pleasure that my report on the finances of the Mandeni Municipality for the year ended 30 June 2009 is submitted. The financial statements are appended.

1. OPERATING RESULTS

The details of the operating results per department and classification of income and expenditure are included in Appendices D and E.

The overall operating results for the year ended 30 June 2009 are as follows:

Overall operating results

	Actual 2008	Actual 2009	Variance - Actual 2008/2009	Budget	Variance Actual/ Budget
	R	R	%	R	%
Income	90,099,523	83,413,689	(7)	66,553,820	25
Expenditure	(88,815,034)	(79,765,654)	(10)	(66,553,820)	20
Surplus/(Deficit)	3,245,206	3,648,034	12	(0)	
Appropriations	(19,177)	4,396,146	(23,024)	0	0
Opening Surplus/(Deficit)	13,004,340	8,033,534	(62)	0	0
Closing Surplus/(Deficit)	8,033,534	16,077,714	100	(0)	0

Overall the municipality has a surplus of R 3,648,034, which has mainly been attributable to control over expenditure and certain capital projects not being carried out during the year. Unfortunately, whilst there is a surplus it is not cash backed as the amount is part of the arrear debtors.

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Rate & General Services operating results

	Actual 2008	Actual 2009	Variance - Actual 2008/2009	Budget	Variance Actual/ Budget
	R	R	%	R	%
Income	84,899,348	76,896,084	(9)	59,088,820	30
Expenditure	(84,725,647)	(74,433,793)	(12)	(59,680,617)	25
Surplus/(Deficit)	1,953,893	2,462,290	26	(591,797)	(516)
Surplus as a % of income	4	3	0	(1)	0

Trading Services operating results

The only Trading Service is Electricity. The municipality only supplies electricity to the town area of Mandeni. Eskom covers the balance of the Mandeni Municipal area and offers free basic electricity to consumers who qualify. At present there are 1268 householders who are receiving free electricity. This is funded by part of the equitable share.

Electricity

	Actual 2008	Actual 2009	Variance - Actual 2008/2009	Budget	Variance Actual/ Budget
	R	R	%	R	%
Income	5,200,175	6,517,605	25	7,465,000	(13)
Expenditure	(4,084,387)	(5,331,861)	31	(6,873,203)	(22)
Surplus/(Deficit)	1,115,788	1,185,744	6	591,797	100
Surplus as a % of income	21	18	0	8	0

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A portion of the equitable share was transferred to the Electricity department to cover the cost of the free basic electricity. The expenditure is still well below the budgeted figure. Provision was made for the free basic electricity, but only 735 households received the benefit during the year.

2. HOUSING FUND

There has been no activity in this department since the housing stock was written off and the transfer to the owners is under process.

INCOME	Actual 2008	Actual 2009	Variance - Actual 2008/2009	Budget	Variance Actual/ Budget
	R	R	%	R	%
Income	0	0	0	0	0
Expenditure	0	0	0	0	0
Surplus	0	0			
Surplus as a % of income	0	0	0	0	0

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3. CAPITAL EXPENDITURE & FINANCING

The second phase of the upgrade of the Sundumbili Roads was completed during the year. This project was grant funded. Other capital purchases included office equipment, furniture and fittings and plant and equipment.

	Budget 2009	Actual 2009	Actual 2008
	R	R	R
Land	0	7,898,680	
Buildings	0		
Infrastructure	8,149,960	7,261,563	3,246,824
Other Fixed Assets	11,094,150	2,992,164	1,552,205
	19,244,110	18,152,407	4,799,029

The above assets were funded as follows:

	Budget 2009	Actual 2009	Actual 2008
	R	R	R
Operating account	2,037,150	(417,932)	100,292
Grants and subsidies	55,003,734	10,157,566	4,698,737
Loans Redeemed		514,094	
External Loans	8,000,000	0	0
Other (Revaluation)	0	7,898,680	0
	65,040,884	18,152,407	4,799,029

Refer to Appendix C for a further analysis of the fixed assets.

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3. EXTERNAL LOANS, INVESTMENTS AND CASH

External loans outstanding as at 30 June 2009 was R 540,625 (2008: R 6,643,111) as set out in Note 3 to the financial statements. No new loans were taken out during the year, and R 6,088,478 was repaid during the year. More information in respect of external loans and investments may be found in Notes 3 and 6 and Appendix B.

Investments and cash on hand as at 30 June 2009 was R 14,214,090 (2008: R 13,909,409)

4. STATUTORY FUNDS AND TRUST FUNDS

Included in the trust funds are unspent monies on funding/grants that have been received for specific purposes. These funds will be utilised in the 2009/2010 financial year.

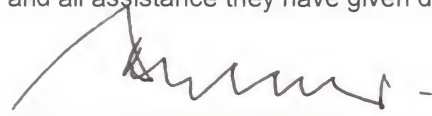
More information regarding statutory funds and trust funds are disclosed in Notes 1, 25, 26 and 27 and Appendix A to the financial statements.

5. POST BALANCE SHEET EVENTS

There are no post balance sheet events.

6. APPRECIATION

I would like to record my grateful thanks for the co-operation and support received from the Mayor, Executive Committee and the Council during the year under review. Thanks are also extended to the Municipal Manager, Directors, Managers especially the Finance Manager and the staff for their support and all assistance they have given during the year.



Chief Financial Officer

Date: 31 August 2009

MANDENI MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

ACCOUNTING POLICIES

1. Basis of Presentation

- 1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second Edition, January 1996).
- 1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in accounting policy note 3. The accounting policies are consistent with those of the previous year except where otherwise indicated.
- 1.3 The financial statements are prepared on the accrual basis as stated:
 - o Income is accrued when measurable and collectable to finance operations. Certain direct income is accrued when received, such as traffic fines and certain licences.
 - o Expenditure is accrued in the year it is incurred.

2. Consolidation

The financial statements include the Rate and General Services, Trading Services, Housing and the different funds and reserves. All inter departmental charges are set-off against each other, with the exception of assessment rates, refuse removal and monthly electricity charges which are treated as income and expenditure in the respective departments.

3. Fixed Assets

- 3.1 Fixed Assets are stated:
 - at historical cost, or
 - at valuation (based on the market price at the date of acquisition), where assets have been acquired by grant or donation whilst they are in existence or fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the Chief Financial Officer.

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3.2. Depreciation

The balance shown against the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however certain structural differences do exist, By the way of this "Provision" assets are written down over their estimated useful life. Apart from advances from the various council funds, assets may also be acquired through:

- Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income, and therefore it is unnecessary to make a further provision for depreciation.
- Grants or donations, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and Other Capital Receipts" account

3.3. All net proceeds from the sale of fixed property are credited to the Public Improvement Fund. All net proceeds from the sale of moveable assets are credited to the Capital Development Fund.

3.4 Fixed assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. The loans redeemed and other capital receipts account is credited as the loans are repaid. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

3.5. Other

Fixed assets are disclosed on the Balance Sheet as the net of the original cost less the loans redeemed and other capital receipts.

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4. Inventory

Inventory is valued at the lower of cost, determined on the average cost and net realizable value.

5. Funds and Reserves

5.1 Capital Development Fund

The Local Authorities Ordinance No. 25 of 1974 requires a minimum contribution of 3 percent of the defined income of a local authority. The Fund is used to finance capital expenditure, and the surplus funds are invested.

5.2 Loan Redemption Fund

The redemption of loans in Rates and General Services is provided for by annual repayment of advances made to the borrowing accounts calculated on the estimated life of assets acquired but subject to a limitation of a maximum of 30 years on the life of any individual asset. Internal loans are repaid in relation to the life of an asset. Redemption on State and Development Bank of South Africa loans is payable half yearly on an annual basis.

5.3 Public Improvement Fund

The fund is divided into 2 parts:

- The general section which receives funds from cash and land endowments and various other sources
- The development section through which the development of the Eastern Expansion Area of Mandini has been operated.

Acquisition of land

The valuation of land in Extension 7 is reflected at cost, and the net income of land sales is reflected separately.

Valuation of Services in Eastern Expansion Area

The services acquired by the Rates and General Services Fund and Trading Services as a result of the Development in the Eastern Expansion Area have been brought to account at a valuation which has been set at the cost of development of these services.

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Land Sales

The income on land sales is credited to the Fund. Where the sale is not paid in full an agreement of sale is entered into whereby the purchaser pays a deposit and the balance is paid in instalments. The transfer of the property is only effected when the full amount is paid. All property sold and transferred is transferred to Deferred Charges, until the loan is paid.

5.4 Reserves

All unspent funds received in the form of grants and subsidies are retained in the balance sheet as a reserve. The funds are accounted for in the income statement as income and expenditure in the year that the monies are spent.

6. Provisions

6.1 Leave Pay

Provision has been made for the outstanding leave obligation as at 30 June 2009. The basis of calculation of the leave pay is the number of leave days per employee as at 30 June 2009 multiplied by the daily rate per employee. The calculation of the daily rate is the annual salary per employee divided by 250 days.

6.2 Bad Debts

Provision has been made for bad debts which are deemed to be unrecoverable and have been outstanding for 150 days or longer. The provision is based on 50% of all debts outstanding for 150 days and longer and 25% of the balance of outstanding.

7. Retirement Benefits

The Mandeni Municipality and its employees contribute to the Natal Joint Municipal Pension Fund (Superannuation), the Natal Joint Municipal Pension Fund (Retirement) or the Natal Joint Municipal Pension Fund (Provident) which provides retirement benefits for such employees. The municipality's current contributions are charged against operating income.

The Councilors are contributing to the Councillor's Pension Fund and is voluntary. This fund provides retirement benefits for the Councillors.

8. Surpluses and Deficits

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The surpluses or deficits arising from the operation of the Electricity Service are retained in that fund unless otherwise resolved by Council.

9. Treatment of Administration and Other Overhead Expenses

The estimated costs of internal support services are transferred to the different departments. The internal support services are calculated at approximately 2% of expenditure, spread across the various departments with differing percentage charges per department.

10. Investments

Investments are shown at cost and are in securities prescribed in Section 13 of Municipal Finance Management Act No.56 of 2003. They are considered to be risk-free.

11. Income Recognition

11.1 Assessment Rates

Assessment rates are levied on the value of property and are billed monthly for 10 months.

11.2. Electricity is charged based on monthly consumption. Refuse Removal is charged based on a monthly tariff as per the Tariff of Charges. Other income such as Grass cutting, Business refuse, Robot repairs is billed each month based on consumption.

12. Leased Assets

Fixed assets held under finance leases are capitalized. Such assets are effectively amortized over the term of the lease agreement. Lease finance charges are allocated to accounting periods over the duration of the leases, by the effective interest rate method, which reflects the extent and cost of lease finance utilized in each accounting period.

All other leases are treated as operating leases and the relevant rentals are charged against the operating income on a monthly basis.

**MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS**

BALANCE SHEET AT 30 JUNE 2009

		2009	2008
	NOTE	R	R
CAPITAL EMPLOYED			
FUNDS AND RESERVES			
Statutory Funds	1	26,172,698	16,073,239
RETAINED INCOME	16	16,077,714	8,033,533
		42,250,412	24,106,772
TRUST FUNDS			
Grants and subsidies	2	9,318,290	5,809,669
LONG TERM LIABILITIES	3	153,571	554,633
CONSUMER DEPOSITS	4	933,028	886,154
		<u>52,655,301</u>	<u>31,357,229</u>
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	5	12,628,917	2,538,169
INVESTMENTS	6	5,081,351	1,445,105
LONG TERM DEBTORS	7	0	216,460
		<u>17,710,268</u>	<u>4,199,734</u>
NET CURRENT ASSETS		34,945,033	27,157,495
CURRENT ASSETS			
Inventory	8	42,272,538	41,516,575
Debtors	9	271,307	195,577
Short term portion of long term debtors	7	32,868,491	32,465,955
Cash	22	0	96,000
		9,132,739	8,759,043
CURRENT LIABILITIES			
Provisions	11	7,327,505	14,359,080
Creditors	10	1,863,179	1,528,187
Short term portion of long term liabilities	3	5,077,271	6,742,415
		387,055	6,088,478
		<u>52,655,301</u>	<u>31,357,229</u>

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

2008		
Actual Income	Actual Expenditure	Surplus/ (Deficit)

R	R	R
84,899,348	84,725,647	173,701
78,813,310	77,019,901	1,793,409
1,213,777	3,911,432	(2,697,655)
4,872,261	3,794,314	1,077,947

0	5,000	(5,000)
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0	5,000	(5,000)
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5,200,175	4,084,387	1,115,788
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5,200,175	4,084,387	1,115,788
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90,099,523	88,815,034	1,284,489
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(6,255,296)

(4,970,807)

13,004,340

8,033,534

RATE AND GENERAL SERVICES

Community services
Subsidised Services
Economic Services

HOUSING

Housing

TRADING SERVICES

Electricity

TOTAL

Appropriations for the year

Net surplus/ (deficit) for the year

Accumulated surplus (deficit)beginning of the year

Accumulated surplus/(deficit) end of the year

2009			
Actual Income	Actual Expenditure	Surplus/ (Deficit)	Budget Surplus/ (Deficit)

R	R	R	R
76,896,084	74,433,793	2,462,290	(591,797)

71,532,655	64,331,884	7,200,771	5,414,015
839,612	5,154,243	(4,314,630)	(5,395,332)
4,523,817	4,947,667	(423,850)	(610,481)

0	0	0	425,000
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0	0	0	425,000
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6,517,605	5,331,861	1,185,744	166,797
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6,517,605	5,331,861	1,185,744	166,797
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83,413,689	79,765,654	3,648,034	(0)
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16

16

16

4,396,146

8,044,180

8,033,534

16,077,714

(Refer to appendix D and E for more details)

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CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

		2009	2008
	NOTE	R	R
CASH RETAINED FROM OPERATING ACTIVITIES		30,874,836	8,730,985
Cash generated by operations	17	21,572,706	1,006,161
Investment income	15	1,138,543	739,034
(Increase) / decrease in working capital	18	(1,114,533)	3,722,272
		21,596,717	5,467,468
Less : External interest paid	15	(879,447)	(1,189,601)
Cash available from operations		20,717,270	4,277,867
Cash contributions from the public and State	App.C	10,157,566	4,127,350
Net proceeds on disposal of fixed assets	App.A	0	325,768
CASH UTILISED IN INVESTING ACTIVITIES		(20,762,407)	(4,223,405)
Investment in fixed assets	5	(20,762,407)	(4,223,405)
NET CASH FLOW		10,112,428	4,507,581
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase/ (Decrease) in long-term loans (external)	19	(6,102,486)	(345,009)
Increase/ (Decrease) in short-term loans (external)	20	0	0
(Increase)/Decrease in cash investments	21	(3,636,246)	46,109
(Increase)/ Decrease in cash	22	(373,696)	(4,208,681)
NET CASH GENERATED		(10,112,428)	(4,507,581)

**MANDENI MUNICIPALITY
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
1 STATUTORY FUNDS		
Consolidated Capital Development Fund	10,509,960	8,467,698
Loan Redemption Fund	110,761	110,678
Public Improvement Fund	6,280,696	6,279,716
Revaluation Reserve	7,876,842	
	24,778,259	14,858,092
Housing Fund - 30 .6.2009	1,394,439	1,215,148
Opening balance		999,342
Add: Capitalisation of Interest on housing fund not capitalised in 06-07		
Housing activities for the year		215,806
	26,172,698	16,073,240

(Refer to Appendix A for more detail)

2 TRUST FUNDS

Grants and subsidies

Provincial grant - Development Planning/Capacity Bldg	(0)	81,385
Provincial grant - Municipal Assistance Programme	323,536	7,094
Provincial grant - Interdepartmental Monitoring	0	3,603
Provincial grant - Library Grant	78,900	
Provincial grant - MFMA	-	100,000
Public Participation Grant	0	74,097
Umsobomvu Youth Grant	48,364	
Gijima Grant	35,012	172,265
Gijima LED	14,490	
National grant - Finance Management grant	71,162	304,884
National grant - Municipal Systems Infrastructure Grant	30,618	0
Waste Management Grant	15,181	
Provincial grant - Geographical Information Systems	0	8,904
Town Planning Grant	-	65,800
Sport and Recreation Grant	610,105	1,941,829
National grant - Land Use Management System	0	51,358
IDP Strategic Support Grant	105,378	86,320
Corridor Development Grant	1,800,459	899,155
Municipal Infrastructure Grant (MIG)	5,425,534	778,813
MPRA Shared Services	79,745	-
Housing Projects	679,805	1,203,863
Electricity Grant	-	30,300
	9,318,290	5,809,669

(Refer to Appendix A for more detail)

**MANDENI MUNICIPALITY
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
3 LONG TERM LIABILITIES		
Annuity loans	540,625	943,111
Fixed period loans	-	5,700,000
	540,625	6,643,111
Less: Current portion transferred to short term liabilities	387,055	6,088,478
Annuity loans	387,055	6,088,478
	153,571	554,633

(Refer to Appendix B for more detail on long term liabilities)

ANNUITY LOANS

These were advanced by the Development Bank of South Africa for electrical reticulation in Mandeni. They bear interest at 15.82 % p.a. and will be fully repaid by June 2013.

FIXED PERIOD LOANS

These loans were advanced for the construction of staff houses, office extensions and roadworks. They bear interest at rates ranging from 10.05 % and 13.25 % and are fully redeemable by 25 March 2009.

The loan of R 5 700 000 was raised from INCA at an interest rate of 17.5 % and was repayable on 25 March 2009. A cession having a value on maturity equal to the loan value was raised with Investec Bank. A cession and pledge of claims and rights against income streams earned from Sappi Kraft Ltd and Ithala Bank Ltd has been granted to INCA. Security for the loan has been issued by Investec Bank Ltd in the form of a Zero Coupon Bond with a guaranteed maturity value equal to the loan value and has been ceded to INCA.

The market value of the zero coupon bond at 25 March 2009 was R5 700 000 (2008 : R 5,145,450).

4 CONSUMER DEPOSITS

Electricity	933,028	886,154
	933,028	886,154

Council does not have any guarantees in lieu of deposits.

5 FIXED ASSETS

Fixed assets at the beginning of the year	44,347,777	44,238,182
Capital outlay during the year	20,762,407	4,223,405
Less: assets written off, transferred or disposed of during the year	(532,268)	(4,113,810)
Total fixed assets	64,577,916	44,347,777
Less: loans redeemed and other capital receipts	(51,949,000)	(41,809,608)
Net fixed assets	12,628,917	2,538,169

(Refer to Appendix C for more detail on fixed assets)

MANDENI MUNICIPALITY
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
6 INVESTMENTS		
Unlisted:		
Long term deposits	5,081,351	1,445,105
Total investments	5,081,351	1,445,105
Management's valuation of unlisted investments	5,081,351	5,145,450
<p>Local authorities are required to invest funds which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a premium rate to meet commitments.</p> <p>An short term investment of R 5,000,000 is made with Nedbank</p> <p>Council has an investment with Standard Bank to the value of R23 529.55</p>		
7 LONG TERM DEBTORS		
Vehicle Loan	-	312,460
Less: Short term portion	-	(96,000)
	-	216,460
<p>The loan is transferred to debtors as miscellaneous as the person given a vehicle loan was no longer an employee of the Municipality</p>		
8 INVENTORY		
Consumable stores, raw materials, work in progress and finished goods	271,307	195,577
	271,307	195,577
9 DEBTORS		
Consumer debtors	55,204,995	55,690,784
Less provision for doubtful debts	(26,853,555)	(27,523,099)
Net trade debtors	28,351,440	28,167,685
SARS - Value Added Tax	3,764,471	3,180,234
Miscellaneous debtors	749,748	1,108,942
Staff debtors	1,332	7,595
Amounts paid in advance	1,500	1,500
	32,868,491	32,465,956
Debtors written off during the year - Highview Park Housing	-	5,462,825
- Indigent	9,154,616	-
% of debtors to total operating income	0.66	0.62
Average collection days	267	404

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008	
	R	R	
10 CREDITORS			
Trade creditors	851,096	4,005,477	
VAT Output (Debtors)	3,724,359	2,095,907	
Deposits - Other	400,704	391,096	
Other	101,112	249,935	
	<u>5,077,271</u>	<u>6,742,415</u>	
11 PROVISIONS			
Leave pay	1,863,179	1,528,187	
	<u>1,863,179</u>	<u>1,528,187</u>	
12 ASSESSMENT RATES			
Rateable site valuation at 01 July 2007			
Mandeni			
Rateable	2,150,860,500	68,424,300	
Non - rateable		5,828,900	
Total site valuation at 01 July 2007	<u>2,150,860,500</u>	<u>74,253,200</u>	
Basic rate	c/R		
Cartegories	Rating Cartegoi	Tariff	Rates
Residencial	1	0.008	4,639,373
Commercial	2	0.016	1,515,864
Indusrtial	3	0.017	8,959,544
Mining	4	0.019	433,200
Agricultural	5	0.005	403,975
Agricultural	6	0.005	8,013
Institutional	7	0.015	493,452
Special Purpose	8	-	-
Public Services Infrastructure	9	0.015	3,560,330
Municipal Property	#	-	-
			<u>20,013,750</u>

A revaluation of all properties in the Mandeni area was undertaken and a common valuation roll produced for the whole area.
The valuation for the 2007/2008 financial year was performed on 01 July 2007. This is the first year of implementation of the Municipal Property Rates Act

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
Rebates were granted for those who qualify in respect of:		
Agriculture	0.75	0.50
Pensioners		0.20
Rural residential		0.50
Large properties		0.50
Residential		0.05
Special early settlement - residential		0.10
Special early settlement - other		0.05
Areas not previously rated - Sundumbili		0.10

13 COUNCILLORS' REMUNERATION

Councillor's allowances	2,794,743	2,264,405
Executive committee allowances	594,741	541,184
Mayor's allowance	237,042	209,124
Speaker / other allowances	273,525	240,743
Deputy Mayor	138,104	120,723
Other Allowances (travel,housing and cellphone)	1,479,093	1,563,760
	5,517,247	4,939,939

In-kind benefits

The Speaker is the only councillor who is full-time. The Mayor, Deputy Mayor and Speaker are provided with an office and secretarial support at the cost of the Council

The Mayor is entitled to stay at the mayoral residence owned by Council at no cost, but does not utilise this facility, The Mayor and Speaker have the use of a Council owned vehicle for official duties.

14 AUDITOR'S REMUNERATION

Audit fee	792,830	636,564
	792,830	636,564

15 FINANCE TRANSACTIONS

Total external interest earned	1,138,543	739,034
Total external interest paid	879,447	1,189,601
Capital charges debited to operating account:		
Interest : External	879,447	1,189,601
Interest : Internal	24,525	36,474
Redemption : External	402,486	345,009
Redemption : Internal	111,608	116,243
	1,418,066	1,687,327

MANDENI MUNICIPALITY
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
16 APPROPRIATIONS		
Appropriation account		
Retained Income at the beginning of the year	8,033,532	13,374,258
Operating surplus / (deficit) for the year	3,648,034	1,284,489
Appropriations for the year	4,396,146	(6,625,215)
Prior year adjustments	4,396,146	(1,281,564)
Housing Debtors Written off		(5,343,651)
Retained Income/(Accumulated deficit) at the end of the year	16,077,712	8,033,532
Details of Prior Year adjustments:		
Reversal of Income overstated 2006/2007		(1,431,412)
Reversal of Debtors Unsubstantiated (prior years)	118,943	(292,984)
Input VAT on fixed assets		571,388
Expenditure Understated and VAT recovered 2006/2007		(128,556)
Investment valuation increase to settle external loan	4,277,203	
	4,396,146	(1,281,564)
Operating account		
Capital expenditure	173,846	96,056
Contributions to Capital Development Fund	2,031,022	1,516,407
Contributions to provisions :	9,189,792	1,864,044
Bad debts	8,451,152	1,235,604
Reserves		-
Leave pay	738,639	628,440
	11,394,659	3,476,507

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
17 CASH GENERATED BY OPERATIONS		
Operating surplus for the year	3,648,034	1,284,489
Adjustments in respect of :		
Previous years' operating transactions	4,396,146	(6,625,215)
Appropriations charged against income	11,394,659	3,476,507
Capital Development Fund	2,031,022	1,516,407
Contributions to provisions and reserves	9,189,792	1,864,044
Contributions to fixed assets	173,846	96,056
Capital charges:	1,405,803	1,669,090
Interest paid:		
- to internal fund	12,262	18,237
- on external loans	879,447	1,189,601
Redemption:		
- of internal advances	111,608	116,243
- of external loans	402,486	345,009
Expenditure charged against:		
- Provisions and Reserves	(19,027,054)	(41,539,605)
Housing Interest income	-	334,980
Interest Income(operating Account)	(1,138,543)	(730,811)
Other Income-Loan redemption Fund		
Income charged against:		
- Provisions and Reserves	20,893,661	43,136,726
	21,572,706	1,006,161

18 (INCREASE) / DECREASE IN WORKING CAPITAL

(Increase)/decrease in inventory	(75,730)	(27,539)
(Increase)/decrease in debtors	363,008	2,492,830
(Increase)/decrease in long term debtors	216,460	239,368
Increase/(decrease) in creditors	(1,665,144)	1,055,297
Increase/(decrease) in consumer deposits	46,874	(37,685)
	(1,114,533)	3,722,272

19 INCREASE / (DECREASE) IN LONG-TERM LOANS (EXTERNAL)

Loans raised	-	-
Loans repaid	(6,102,486)	(345,009)
	(6,102,486)	(345,009)

20 INCREASE / (DECREASE) IN SHORT TERM LOANS (EXTERNAL)

Loans raised	-	-
Loans repaid	-	-
	-	-

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
21 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS		
Investments realised	(3,636,246)	46,109
	<u>(3,636,246)</u>	<u>46,109</u>
22 (INCREASE)/DECREASE IN CASH ON HAND		
Cash balance : beginning of year	8,759,043	4,550,362
Less Cash balance : end of year	9,132,739	8,759,043
	<u>373,696</u>	<u>4,208,681</u>
The municipality has the following bank accounts:		
First National Bank - Mandeni branch		
Account Number: 52940480587		
Cash book balance at beginning of year	8,557,347	4,544,635
Cash book balance at end of year	9,113,592	8,557,347
Bank Statement Balance at beginning of year	8,995,532	84,392
Bank Statement Balance at end of year	9,751,747	8,995,532
Savings Accounts		
First National Bank - Mandeni branch		
Account Number: 62028673219 (Housing)	2,073,995	2,660,037
Account Number: 61294217372 (Grants)	4,013,643	4,842,735
Account Number: 62138398327 (Camera/MIG)	3,550,534	793,956
Flood relief		2,204

23 RETIREMENT BENEFITS

Employees belong to the following funds within the Natal Joint Municipal Pension Fund which provide retirement benefits to such employees:

- i) Natal Joint Municipal Pension Fund (retirement)
- ii) Natal Joint Municipal Pension Fund (superannuation)
- iii) Natal Joint Municipal Pension Fund (provident)

The retirement plan is subject to the Pension Fund Act 1956 with pensions being calculated on the final pensionable remuneration paid. Current contributions are charged against operating income on the basis of current service costs. As the final retirement benefits payable to members are determined solely by the contributions paid to the fund, together with investment earnings thereon, the Municipality has no unfunded liabilities.

Councillors belong to the Councillors Pension Fund.

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
24 EMPLOYEE RELATED COSTS		
Remuneration to Municipal Manager		
Annual remuneration	432,012	389,568
Performance Bonuses	45,448	
Car Allowance	173,712	157,488
Housing allowance	49,512	
Contributions to Pension, Medical Aid, UIF	90,368	124,543
Total	<u>791,052</u>	<u>671,599</u>
Remuneration to Chief Financial Officer		
Annual remuneration	321,739	192,648
Performance Bonuses	29,011	
Car Allowance	195,193	117,872
Housing allowance		
Contributions to Pension, Medical Aid, UIF	29,879	6,000
Total	<u>575,822</u>	<u>316,520</u>
Remuneration of Individual Directors		
30 June 2009		
Corporate Services		
Annual remuneration	321,739	287,192
Performance Bonuses		
Car Allowance	159,312	157,708
Housing allowance	29,788	
Contributions to Pension, Medical Aid, UIF	35,972	42,760
Total	<u>546,811</u>	<u>487,660</u>
Technical Services		
Annual remuneration	321,739	309,810
Performance Bonuses	38,682	
Car Allowance	134,058	64,176
Housing allowance	-	
Contributions to Pension, Medical Aid, UIF	91,015	110,514
Total	<u>585,494</u>	<u>484,500</u>
25 CAPITAL COMMITMENTS		
Commitments in respect of capital expenditure:		
Approved and contracted for	<u>6,715,445</u>	<u>8,815,487</u>
	<u>6,715,445</u>	<u>8,815,487</u>
This expenditure will be financed from:		
Internal sources		-
External sources	6,715,445	-
- Grants reserves	6,715,445	8,815,487
- Other		-
	<u>6,715,445</u>	<u>8,815,487</u>

**MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
26 CAPITAL DEVELOPMENT FUND		
Outstanding advances to borrowing services :		
Accumulated fund	10,509,961	8,467,698
Temporary borrowings	(10,392,428)	(8,242,883)
(Refer to appendices A and B for more detail)	<u>117,534</u>	<u>224,815</u>
27 LOAN REDEMPTION FUND		
Outstanding advances to borrowing services		
Accumulated fund	110,761	110,678
Less : Investments	(110,515)	(110,187)
(See appendix B for more detail)	<u>247</u>	<u>491</u>
28 PUBLIC IMPROVEMENT FUND		
Outstanding advances to borrowing services		
Accumulated fund	6,280,696	6,279,716
Temporary borrowings	(6,272,880)	(6,267,816)
Less : Investments		
Land and development expenses	-	-
Debtors	-	-
(See appendix B for more detail)	<u>7,816</u>	<u>11,900</u>
29 PARTICULARS OF LOSSES OR ANY MATERIAL, IRREGULAR OR FRUITLESS AND WASTEFUL EXPENDITURE,UNAUTHORISED EXPENDITURE AND IF RECOVERABLE		
Pending case on forensic investigation	<u>101,086</u>	<u>101,086</u>
30 PARTICULARS OF NON-COMPLIANCE	NIL	NIL
31 CONTIGENT LIABILITY		
MANDENI MUNICIPALITY vs SPARKS MOTORS	1,500,000	
This is the lawsuit against the Municipality by Sparks Motors on cancellation of contract to repair the municipal fleet,due to poor performance.		

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

APPENDIX A

STATUTORY FUNDS AND GRANT FUNDS RESERVE

	Balance at 1/07/08	Contributions during the year	Interest on investments	Other income	Capital Expenditure during the year	Operating Expenditure during the year	Balance at 30/06/09
	R	R	R	R		R	R
ACCUMULATED FUNDS							
Consolidated Capital Development Fund	8,467,698	2,031,022	11,241				10,509,960
Loan Redemption fund	110,678		83				110,761
Public Improvement Fund	6,279,716		980				6,280,696
Housing Fund	1,215,148		179,291				1,394,439
Revaluation Reserve		7,876,842					7,876,842
	16,073,239	9,907,864	191,595	0	0	0	26,172,698

GRANT FUNDS RESERVE
Grants and subsidies

Provincial grant - Development Planning/Capacity Bldg	81,385					81,385	(0)
Provincial grant - Municipal Assistance Programme	7,094	700,000				383,558	323,536
Provincial grant - Interdepartmental Monitoring	3,603					3,603	0
Provincial grant - Library Grant		78,900					78,900
Provincial grant - MFMA	100,000			839		100,839	0
Public Participation Grant	74,097	7,497				81,594	0
Umsobomvu Youth Grant		220,833				172,469	48,364
Gijima Grant	172,265	239,195				376,448	35,012
Gijima LED		70,674				56,184	14,490
Gijima SMME		181,235				181,235	0
National grant - Finance Management grant	304,884	500,000				733,722	71,162
Municipal Systems Infrastructure grant	0	400,000				369,383	30,618
Provincial grant - Geographical Information Systems	8,904	760				9,664	0
Town Planning Grant	65,800					65,800	0
Sport and Recreation Grant	1,941,829	1,350,000			2,681,723		610,105
Waste Management Grant		204,000				188,819	15,181
National grant - Land Use Management System	51,358					51,357	1
IDP Strategic Support Grant	86,320	100,000				80,942	105,378
Corridor Development Grant	899,155	1,800,000			898,696		1,800,459
Municipal Infrastructure Grant (MIG)	778,813	13,007,784			8,361,063		5,425,534
MPRA Shared Services	0	649,355				569,609	79,745
Housing Projects	1,203,863	1,370,327			1,894,385		679,805
Electricity Grant	30,300					30,300	0
	5,809,669	20,880,560	0	839	13,835,866	3,536,910	9,318,291
	21,882,908	30,788,424	191,595	839	13,835,866	3,536,910	35,490,989

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

	Loan Number	Interest Rate	Date issued	Date redeemable	Balance at 01/07/2008	New loans	Redeemed during the year	Balance at 30/06/2009
		%			R	R	R	R
EXTERNAL LOANS								
<u>Annuity Loan</u>								
Development Bank of SA	1	15.82	30/06/1989	30/06/2009	222,330		222,330	(0)
Development Bank of SA	2	15.82	31/12/1990	31/12/2010	191,634		71,842	119,793
Development Bank of SA	3	15.82	31/12/1991	31/12/2011	304,426		68,722	235,705
Development Bank of SA	4	15.82	31/12/1991	31/12/2011	95,676		21,598	74,078
Development Bank of SA	5	15.82	31/12/1993	31/12/2013	129,045		17,995	111,049
					943,111	0	402,487	540,624
<u>Fixed term loans</u>								
INCA		17.50	30/06/2002	25/03/2009	5,700,000		5,700,000	0
					5,700,000	0	5,700,000	0
TOTAL EXTERNAL LOANS					6,643,111	0	6,102,487	540,624

INTERNAL ADVANCES TO BORROWING SERVICES

<u>Internal Loans</u>								
Consolidated Capital Development Fund					224,814		107,280	117,534
Loan Redemption Fund					491		244	247
Public Improvement Fund					11,899		4,084	7,815
					237,204		111,608	125,596
<u>Temporary Borrowings</u>								
Consolidated Capital Development Fund					8,242,883	2,149,545		10,392,428
Public Improvement Fund					6,267,816	5,063		6,272,880
Loan Redemption Fund					0			0
					14,510,700	2,154,608	0	16,665,308
					14,747,904	2,154,608	111,608	16,790,904

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

APPENDIX C

ANALYSIS OF FIXED ASSETS

2008 Acquisitions		Budget acquisitions	Opening balance at 01/07/2008	Acquisitions	Disposals	Balance at 30/06/2009
R		R	R	R	R	R
RATE AND GENERAL SERVICES						
4,223,404	Community services	21,214,078	40,598,387	18,152,407	(532,268)	58,218,526
76,800	Management services	642,100	1,893,027	112,589	(509,271)	1,496,345
-	Municipal Buildings	10,000	9,955,541	7,898,680	(937)	17,853,284
65,263	Protection services	3,450,000	296,708			296,708
1,338,250	Public works	4,230,000	2,234,765	2,879,576	(22,061)	5,092,280
2,743,091	Roads and sidewalks	12,881,978	26,218,346	7,261,563		33,479,909
-	Subsidised Services	17,000	176,834	0	0	176,834
-	Health services	3,000	59,643	0		59,643
-	Library	4,000	88,103	0		88,103
-	Public swimming pool	10,000	29,088	0		29,088
-	Economic Services	70,000	0	2,600,000	0	2,600,000
-	Solid Waste & Parks	70,000	0	2,600,000		2,600,000
4,223,404		21,301,078	40,775,221	20,752,407	(532,268)	60,995,361
TRADING SERVICES						
-	Electricity	460,000	3,572,556	10,000	0	3,582,556
-		460,000	3,572,556	10,000		3,582,556
-		460,000	3,572,556	10,000	0	3,582,556
PUBLIC IMPROVEMENT FUND						
-	Other	43,279,806	0	0	0	0
-		43,279,806	0		0	0
-		43,279,806	0	0	0	0
4,223,404	TOTAL FIXED ASSETS	65,040,884	44,347,778	20,762,407	(532,268)	64,577,917
LOANS REDEEMED AND OTHER CAPITAL RECEIPTS						
(461,252)	Loans redeemed		(11,103,547)	(514,094)	7,000	(11,610,642)
(96,056)	Contributions from current income		(267,799)			(267,799)
	Insurance claims		(88,385)			(88,385)
	Surplus on sale of assets		(111,443)			(111,443)
(4,127,350)	Grants and subsidies received		(27,927,513)	(10,157,566)	525,269	(37,559,810)
80,861	Public contributions		(2,299,087)			(2,299,087)
86,631	Road reserve fund		(11,834)			(11,834)
(4,517,166)	TOTAL LOANS REDEEMED AND OTHER CAPITAL RECEIPTS	0	(41,809,608)	(10,671,660)	532,268	(51,949,000)
(293,762)	NET FIXED ASSETS		2,538,170	10,090,748	0	12,628,918

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual		2009 Actual	2009 Budget
R		R	R
INCOME			
67,682,564	Government grants and subsidies	50,551,349	34,153,950
63,533,954	National Government	46,421,334	28,590,950
0	Local Economic Development	0	200,000
142,360	Grants - other	134,914	185,000
4,006,250	Provincial grants	3,995,101	5,178,000
21,438,910	Operating Income	31,159,673	29,268,580
11,076,449	Assessment rates	18,430,020	18,646,580
4,371,102	Sale of electricity	5,643,685	6,119,000
0	Sale of water	0	0
5,991,360	Other services	7,085,968	4,503,000
730,811	Interest Earned	1,138,543	825,000
247,238	Other income	564,124	2,306,290
90,099,523	TOTAL INCOME	83,413,689	66,553,820
OPERATING EXPENDITURE			
19,799,203	Salaries and allowances	21,735,712	21,834,606
23,200,757	General expenses	25,956,745	34,267,267
1,098,604	Repairs and maintenance	2,348,887	2,621,000
1,687,327	Capital charges	1,418,066	2,754,280
96,056	Contributions to fixed assets	173,846	4,279,100
39,552,635	Contributions to Grant Reserve	16,911,585	0
1,516,407	Contribution to Capital Development Fund	2,031,022	0
1,235,604	Contribution to Bad Debts	8,451,152	747,566
628,440	Contribution to Leave	738,639	50,000
88,815,034	TOTAL OPERATING EXPENDITURE	79,765,654	66,553,820
1,284,489	NET SURPLUS/(DEFICIT)	3,648,034	(0)

MANDENI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR 30 JUNE 2009

APPENDIX E

OPERATING ACCOUNT: DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

2008 Actual income	2008 Actual expenditure	2008 Actual Surplus/ (deficit)		2009 Actual income	2009 Actual expenditure	2009 Actual Surplus/ (deficit)	2009 Budget Surplus/ (deficit)
R	R	R		R	R	R	R
84,899,348	84,725,647	173,701	RATE AND GENERAL SERVICES	76,896,084	74,433,793	2,462,290	(591,797)
78,813,310	77,019,901	1,793,409	<u>Community services</u>	71,532,655	64,331,884	7,200,771	5,414,015
1,223,875	6,991,327	(5,767,452)	Council's general expenses	1,354,779	7,054,030	(5,699,250)	(6,189,613)
43,235,385	49,000,044	(5,764,659)	Administration	18,487,060	24,973,047	(6,485,986)	(9,687,337)
19,729,929	10,561,023	9,168,906	Finance	29,459,709	19,501,093	9,958,616	35,717,533
11,076,449		11,076,449	Assessment Rates	18,430,020		18,430,020	
1,600,000	256,569	1,343,431	Local Economic Development	1,320,833	680,134	640,699	(202,556)
241,577	1,569,589	(1,328,012)	Social Services	30,201	2,108,360	(2,078,159)	(2,000,658)
1,630,469	3,472,171	(1,841,702)	Safety & Security	2,341,085	4,435,414	(2,094,329)	(4,045,837)
0	2,235,465	(2,235,465)	Roads	0	2,209,018	(2,209,018)	(5,043,681)
75,625	1,555,351	(1,479,726)	Buildings	108,967	1,346,087	(1,237,120)	(1,223,006)
0	1,378,362	(1,378,362)	Municipal Maintenance	0	2,024,702	(2,024,702)	(1,910,829)
		0					
1,213,777	3,911,432	(2,697,655)	<u>Subsidised services</u>	839,612	5,154,243	(4,314,630)	(5,395,332)
4,635	147,694	(143,059)	Cemetery	2,206	171,590	(169,383)	(575,353)
23,804	778,565	(754,761)	Public Library	104,807	791,199	(686,392)	(664,944)
1,178,750	859,526	319,224	Health Services	721,953	1,516,952	(794,999)	(1,007,055)
0	1,710,478	(1,710,478)	Parks and Gardens	0	2,254,914	(2,254,914)	(2,697,975)
6,588	415,169	(408,581)	Public Swimming Pool	10,646	419,588	(408,942)	(450,005)
4,872,261	3,794,314	1,077,947	<u>Economic services</u>	4,523,817	4,947,667	(423,850)	(610,481)
4,872,261	3,794,314	1,077,947	Refuse removal	4,523,817	4,947,667	(423,850)	(610,481)
0	5,000	(5,000)	HOUSING	0	0	0	425,000
0	5,000	(5,000)	Housing	0	0	0	425,000
5,200,175	4,084,387	1,115,788	TRADING SERVICES	6,517,605	5,331,861	1,185,744	166,797
5,200,175	4,084,387	1,115,788	Electricity	6,517,605	5,331,861	1,185,744	166,797
90,099,523	88,815,034	1,284,489	TOTAL FOR THE YEAR	83,413,689	79,765,654	3,648,034	(0)
	(6,255,296)		Appropriations for the year	16		4,396,146	
	(4,970,807)		Net surplus/(deficit) for the year			8,044,180	
	13,004,340		Accumulated surplus/ (deficit) at beginning of the year	16		8,033,534	
	8,033,534		Accumulated surplus/ (deficit) at end of the year	16		16,077,715	

MANDENI MUNICIPALITY
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APPENDIX F

STATISTICAL INFORMATION

	2009	2008
GENERAL STATISTICS		
Population	128,669	128,669
Registered Voters	56,162	56,162
Area (km2)		
Total Valuations:	Taxable	68,365,400
	Non-Taxable	5,828,900
	Residential	579,921,680
	Commercial	94,741,500
Valuation date:	01 July 2008	
Number of properties:	Residential	
	Commercial	
Assessment rate:	Basic (per Rand)	
	Rebate : residential	5%
Number of employees	150	154
Number of Councillors	32	32
ELECTRICITY STATISTICS		
Electricity is supplied by ESKOM in all areas other than Mandeni town		
Bulk electricity supplied by Eskom		
Kwh purchased	per month	
Kwh sold	per month	
Kwh lost in distribution		
Percentage lost in distribution		
Cost per Kwh sold		
Income per Kwh sold		
Free basic electricity commenced by Eskom during 2004/2005		
No of households receiving free basic electricity	1265	1265
REFUSE REMOVAL		
Domestic/business Refuse removed	12660m ³	16550m ³
No of loads removed per annum		
No of domestic properties serviced		
No of commercial properties serviced		
No of domestic properties receiving rebate		
Service contracted out, including disposal		
Garden Refuse Removed	1870m ³	1350m ³
BUILDING PLANS PASSED		
Mandini	37	R 7,360,600
Sundumbili	23	R 2,613,540
Tugela/Newark	4	R 800,000
Tugela Mouth	0	R 630,400
Minor Works		Incl in above
OTHER		
Kms Verges cut including Open Spaces, Sportsfields and Municipal Gardens	246584m ³	3132876m ³